

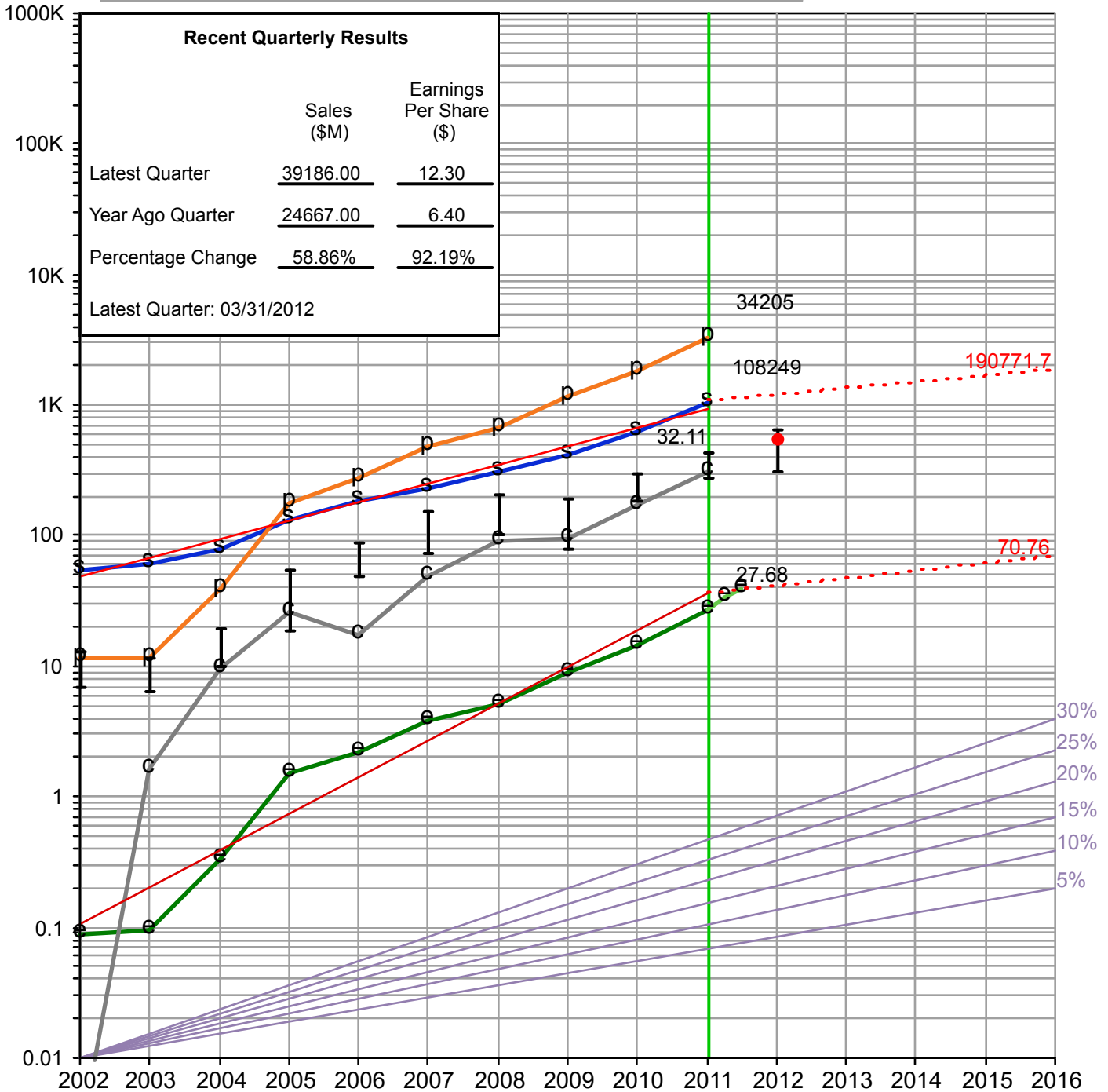
# Apple (AAPL)

Date: 05/15/2012

## Stock Prices

Current Price = \$558.22      52 Week Range = \$310.50 to \$644.00  
 Exchange: NASDAQ  
 Industry: Computer Systems

<b>Share Data</b>	Authorized	Issued	Debt (\$M): 0.00
			% Total Cap.: 0.00%
Preferred:			
Common:	944.893	933.582	
Preferred Stock Dividend:		Dilution: 11.311	



(1) Historical Sales Growth = 38.62%  
 (2) Estimated Sales Growth = 12.00%

(3) Historical EPS Growth = 91.53%  
 (4) Estimated EPS Growth = 14.00%  
 ACE 5-year EPS Growth Estimate: 21.1%

## 2 EVALUATING MANAGEMENT

Apple (AAPL) - 05/11/2012

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	5 Yr Ave	Trend
% Pretax Profit on Sales (Net Before Tax/Sales)	2.1	1.9	4.9	13.0	14.6	20.9	21.2	28.1	28.4	31.6	26.0	UP
% Earned on Invested Capital (EPS/Book Val)	1.6	1.7	5.4	17.3	19.3	23.5	21.3	25.8	29.0	33.6	26.6	UP
% Debt to Equity	7.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	

## 3 PRICE & EARNINGS HISTORY

Current Price: 558.22

52 Week High= 644.00

52 Week Low= 310.50

Year	High Price	Low Price	EPS	PE High	PE Low	Dividend	Payout	High Yield
2007	155.0	72.6	3.93	39.4	18.5	0.000	0.0	0.0
2008	203.0	100.6	5.36	37.9	18.8	0.000	0.0	0.0
2009	188.9	78.2	9.08	20.8	8.6	0.000	0.0	0.0
2010	294.7	181.3	15.15	19.5	12.0	0.000	0.0	0.0
2011	422.9	277.8	27.68	15.3	10.0	0.000	0.0	0.0
TOTAL	1264.5	710.5						
AVE	252.9	142.1		26.6	13.6		0.0	
Average Price Earnings Ratio: 20.1					Current Price Earnings Ratio: 13.6			

Current PE Ratio Based on Current EPS [\$41.01]

Projected PE Ratio of [11.9] Based on Projected EPS [\$46.8]

## 4 EVALUATING BUY, HOLD, & SELL

### A. CALCULATED HIGH PRICE - 5 YEARS

Ave High PE 18.0 X Estimated High Earnings/Share 70.76 Projected High Price = \$ 1273.7

### B. CALCULATED LOW PRICE - 5 YEARS

(a) Avg. Low P/E 13.6 X Estimated Low Earnings/Share 27.68 = \$ 376.45

(b) Avg. Low Price of Last 5 Years = \$142.1

(e) Price Variant = \$361.9

(c) Recent Market Low = \$78.2

(d) Dividend Price Support = \$ \_\_\_\_\_

Selected Estimated Low Price \$ 376.4

### C. BUY/HOLD/SELL ZONES

Selected High of \$1273.70 minus Selected Low of \$376.40 = \$897.30 Range. 1/4 of Range = \$224.325

Lower 1/4 = \$376.4 To \$600.73 (Buy)

**25%/50%/25% Zoning**

Center 1/2 = \$600.73 To \$1049.38 (Hold)

Upper 1/4 = \$1049.38 To \$1273.7 (Sell)

### D. UPSIDE RISK ANALYSIS

High Price 1273.7 - Current Price 558.22 = **3.9** to 1

**Current price of \$558.22 is in the BUY zone**

Current Price 558.22 - Low Price 376.4

PEG Ratio = 0.97

Relative Value = 67.7%

Proj PEG = 0.85

Proj Rel Value = 59.4%

## 5 YIELD ANALYSIS

Current Yield = 0.00%

5 Yr. Yield = 0.0%

Price Appreciation = ((100\*Projected High Price÷Current Price)-100)÷5 = 25.6 %

Average Total Return = Price Appreciation+Ave. 5 Yr. Yield = 28.1 %

	P.A.R	Tot. Ret.
Average Yield	0.0%	0.0%
Annual Appreciation	<u>14.9%</u>	<u>17.9%</u>
Compounded Annual Return	<u>14.9%</u>	<u>17.9%</u>